

**Housing Authority of the Parish of St. James
Lutcher, Louisiana**

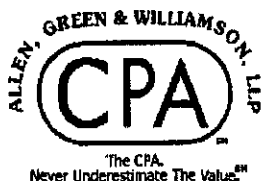
**Annual Financial Report
As of and for the Year Ended September 30, 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/27/05

**Housing Authority of the Parish of St. James
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the Parish of St. James
Lutcher, Louisiana

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Housing Authority of the Parish of St. James, as of and for the year ended September 30, 2004, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Housing Authority, as of September 30, 2004, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 11, the Housing Authority has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as of September 30, 2004.

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2005, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements which collectively comprise the Housing Authority's basic financial statements. The accompanying information identified in the table of contents as other supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Also, the schedule of expenditures of federal awards, which is required by U. S. Office of Management and Budget Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Also, the accompanying other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Housing Authority. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
March 24, 2005

Housing Authority of the Parish of St. James

REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)

Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A) September 30, 2004

The St. James Parish Housing Authority hereinafter referred to as "the Authority" management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues; (b) provide an overview of the Authority's financial activity; (c) identify changes in the Authority's financial position; and, (d) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current years activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The Authority's Net Assets decreased by \$373,398 during 2004. Net Assets were \$3.6 million and \$3.2 million for 2003 and 2004, respectively.
- Revenues decreased (\$1.0) million, \$2.5 million and \$1.5 million for 2003 and 2004, respectively.
- The Total Expenses of all Authority programs increased by \$102,446. Total expenses were \$1.8 million and \$1.9 million for 2003 and 2004, respectively.

USING THIS ANNUAL REPORT

The Report includes three major sections, the "Management's Discussion and Analysis (MD&A)", "Basic Financial Statements", and "Other Required Supplementary Information":

MD&A

~ Management's Discussion and Analysis ~

Basic Financial Statements

~ Authority-wide Financial Statements ~ ~ Notes to Financial Statements ~
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Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A)

September 30, 2004

Other Required Supplementary Information

~ No supplementary information required other than the MD&A~

The primary focus of the Authority's financial statements is on the Authority as a whole as much as the major individual funds. Both perspectives allow the user to address relevant questions, broaden a basis for comparison (year to year or Authority to Authority) and enhance the Authority's accountability.

Authority-Wide Financial Statements

The Authority-wide financial statements are designed to be corporate-like in that all business type activities are consolidated columns for the entire Authority.

These Statements include a Statement of Net Assets, which is similar to a Balance Sheet. The Statement of Net Assets reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equals "Net Assets", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Assets (formerly equity) are reported in three broad categories:

Net Assets, Invested in Capital Assets, Net of Related Debt: This component of Net Assets consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets: This component of Net Assets consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Assets: Consists of Net Assets that do not meet the definition of "Net Assets Invested in Capital Assets, Net of Related Debt", or "Restricted Net Assets".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Assets (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as capital grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Assets is the "Change in Net Assets", which is similar to Net Income or Loss.

Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A)
September 30, 2004

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

Fund Financial Statements

The Authority uses the Enterprise fund basis for accounting, which utilizes the full accrual basis. The Enterprise method of accounting is similar to accounting used by the private sector for accounting.

The Authority's Programs

Conventional Public Housing – Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A)
September 30, 2004

AUTHORITY-WIDE STATEMENTS

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets compared to prior year. The Authority is engaged only in Business-Type Activities.

TABLE 1

STATEMENT OF NET ASSETS

	2004 (in millions of dollars)	2003 (in millions of dollars)
Current and Other Assets	\$0.4	\$1.0
Capital Assets	2.9	3.1
Total Assets	3.3	4.1
Current Liabilities	0.1	0.5
Long-Term Liabilities	0.0	0.0
Total Liabilities	0.1	0.5
Net Assets:		
Invested in Capital Assets, Net of Related Debt	2.9	3.1
Restricted	- 0 -	- 0 -
Unrestricted	0.3	0.5
Total Net Assets	\$3.2	\$3.6

Major Factors Affecting the Statement of Net Assets

Current and other assets decreased by \$0.7 million as of 9/30/2004. Liabilities decreased by \$.3 million.

Net fixed assets were reduced by \$.2 million. The components of fixed assets changed, including about \$.3 million of acquisitions, net of dispositions, minus about \$.5 million in depreciation. For more information see Table 4 below.

Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A)
September 30, 2004

Table 2 presents details on the change in Unrestricted Net Assets

TABLE 2

CHANGE OF UNRESTRICTED NET ASSETS

	Millions of Dollars
Unrestricted Net Assets as of September 30, 2003	<u>\$ 0.5</u>
Results from Operations	(0.4)
Adjustments:	
Depreciation (1)	0.5
Funding Provided for Capital Grants (2)	<u>(0.3)</u>
Adjusted Results from Operations	<u>(0.2)</u>
Unrestricted Net Assets as of September 30, 2004	<u><u>\$ 0.3</u></u>

(1) Depreciation is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted Net Assets

(2) Funding provided for capital grant hard costs, pursuant to GASB 33, is reported as revenue. However, the revenue is absorbed by the associated capital expenditures and therefore does not increase Unrestricted Net Assets.

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Assets provides a clearer measure in financial well being.

Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A)
September 30, 2004

TABLE 3

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

	2004 (millions of dollars)	2003 (millions of dollars)
Revenues		
Tenant Revenue – Rents and Other	\$ 0.2	\$ 0.1
Operating Subsidies and Grants	1.0	1.2
Capital Grants	0.3	1.0
Other Revenues	0.0	0.2
Total Revenue	1.5	2.5
Expenses		
Administrative	0.4	0.5
Tenant Services	0.1	0.0
Utilities	0.1	0.1
Maintenance	0.4	0.4
General	0.4	0.2
Depreciation	0.5	0.6
Total Expenses	1.9	1.8
Net Increase (Decrease)	\$ (0.4)	\$ 0.7

Major Factors Affecting the Statement of Revenue, Expenses and Changes In Net Assets

Revenues decreased by \$1.0 million, mainly due to a decrease in capital funding revenue for fixed assets. Tenant Revenues increased slightly while Operating Subsidies and Other Revenues decreased slightly.

Expenses were fairly consistent from 2003 to 2004 with the exceptions of Administrative expenses, Tenant Services, and General expenses. There were small increases (decreases) in these three categories.

Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A)
September 30, 2004

Capital Assets and Debt Administration

Capital Assets

As of the end of 2004, the Authority had \$2.9 million invested in a variety of capital assets as reflected in the following schedule.

TABLE 4

**CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION)**

	2004 (millions of dollars)	2003 (millions of dollars)
Land and land rights	\$ 0.6	\$ 0.6
Buildings	9.4	9.1
Equipment -- Administrative	0.2	0.2
Equipment -- Dwelling	0.1	0.2
Accumulated Depreciation	(7.4)	(7.0)
Total	<u>\$2.9</u>	<u>\$3.1</u>

The Capital Assets were consistent in most categories, except for Buildings, which increased by \$.3 million, and Dwelling Equipment, which decreased by \$.1 million as a result of dispositions. Accumulated Depreciation also increased by \$.4 million, due to current year Depreciation Expense.

Housing Authority of the Parish of St. James

Management's Discussion and Analysis (MD&A)
September 30, 2004

The following reconciliation summarizes the change in Capital Assets.

TABLE 5

CHANGE IN CAPITAL ASSETS
(IN MILLIONS)

	Business Type Activities
Beginning Balance	\$3.1
Additions, Net of Retirements	0.2
Depreciation and Amortization	<u>(0.4)</u>
Ending Balance	<u><u>\$2.9</u></u>

Debt

Other than routine payables and other accrued liabilities, the Authority did not have debt outstanding as of September 30, 2003 or 2004.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs

FINANCIAL CONTACT

The individual to be contacted regarding this report is Dana Groover, of the St. James Parish Housing Authority, at (225) 869-3278. Specific requests may be submitted to the St. James Parish Housing Authority, 2627 North King Avenue, Litcher, Louisiana, 70071.

Housing Authority of the Parish of St. James
Lutcher, Louisiana

ENTERPRISE FUNDS
Balance Sheet
September 30, 2004

Statement A

ASSETS

Current Assets

Cash and cash equivalents	\$ 73,191
Investments	105,000
Accounts receivable	86,767
Accrued interest receivable	409
Prepaid items and other assets	71,843
Restricted Assets	
Resident deposits	<u>26,570</u>

Total Current Assets 363,780

Capital Assets

Land, buildings, and equipment (net) 2,902,180

TOTAL ASSETS \$ 3,265,960

(CONTINUED)

Housing Authority of the Parish of St. James
Lutcher, Louisiana

ENTERPRISE FUNDS
Balance Sheet
September 30, 2004

Statement A

LIABILITIES AND FUND EQUITY

LIABILITIES

Current Liabilities

Accounts payable	\$ 12,652
Deferred revenue	15,249
Current portion of compensated absences payable	<u>5,262</u>

Total Current Liabilities 33,163

Current Liabilities Payable From Current Restricted Assets

Deposits due others	<u>26,570</u>
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Noncurrent Liabilities

Compensated absences payable	<u>21,053</u>
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Total Liabilities 80,786

NET ASSETS

Invested in capital assets, net of related debt	2,902,180
Restricted	0
Unrestricted	<u>282,994</u>

NET ASSETS 3,185,174

TOTAL LIABILITIES AND NET ASSETS \$ 3,265,960

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the Parish of St. James
Lutcher, Louisiana**

**ENTERPRISE FUNDS
Statement of Revenues, Expenses,
and Changes in Fund Net Assets
For the Year Ended September 30, 2004**

Statement B

OPERATING REVENUES

Dwelling rental	\$ 186,281
Other income	<u>8,617</u>
Total revenues	<u>194,898</u>

OPERATING EXPENSES

Administration	505,858
Tenant services	0
Utilities	134,526
Ordinary maintenance & operations	367,979
General expenses	214,005
Nonroutine maintenance	170,777
Depreciation and amortization	<u>437,826</u>

Total operating expenses 1,830,971

Income (loss) from Operations (1,636,073)

NONOPERATING REVENUES (EXPENSES)

Interest earnings	1,915
Federal grants	<u>904,172</u>

Total nonoperating revenues (expenses) 906,087

Net income (Loss) before capital contributions (729,986)

Capital contributions 356,588

Change in net assets (373,398)

NET ASSETS AT BEGINNING OF YEAR 3,558,572

NET ASSETS AT END OF YEAR \$ 3,185,174

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the Parish of St. James
Lutcher, Louisiana**

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended September 30, 2004**

Statement C

CASH FLOWS FROM OPERATING ACTIVITIES

Rental receipts	\$ 186,943
Other receipts	5,806
Payments to vendors	(1,219,613)
Payments to employees	<u>(370,714)</u>

**NET CASH PROVIDED (USED) BY
OPERATING ACTIVITIES**

(1,397,578)

**CASH FLOWS FROM NONCAPITAL
FINANCING ACTIVITIES**

Federal grants	<u>983,295</u>
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**NET CASH PROVIDED (USED) BY
NONCAPITAL FINANCING ACTIVITIES**

983,295

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Purchase fixed assets	(276,758)
Capital contributions	<u>356,588</u>

**NET CASH PROVIDED (USED) BY
CAPITAL AND RELATED FINANCING
ACTIVITIES**

79,830

CASH FLOW FROM INVESTING ACTIVITIES:

Interest and dividends	<u>1,506</u>
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**NET CASH PROVIDED (USED) BY
INVESTING ACTIVITIES**

1,506

**NET INCREASE (DECREASE) IN CASH AND
CASH EQUIVALENTS**

(332,947)

**CASH AND CASH EQUIVALENTS AT
BEGINNING OF YEAR**

406,138

**CASH AND CASH EQUIVALENTS AT END
OF YEAR**

\$ 73,191

(CONTINUED)

**Housing Authority of the Parish of St. James
Lutcher, Louisiana**

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended September 30, 2004**

Statement C

**RECONCILIATION OF OPERATING INCOME
(LOSS) TO NET CASH PROVIDED (USED)
BY OPERATING ACTIVITIES**

Operating income (loss)	\$ (1,636,073)
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Adjustments to reconcile operating income
to net cash provided (used) by operating
activities:

Depreciation expense	437,826
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Change in assets and liabilities:

Receivables, net	(2,148)
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Prepaid items	(5,538)
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Accounts payables	(204,912)
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Compensated absences	<u>13,267</u>
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NET CASH PROVIDED BY OPERATING ACTIVITIES

\$ (1,397,578)

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the Parish of St. James
Notes to the Financial Statements
September 30, 2004**

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Housing Authority of the Parish of St. James
Notes to the Financial Statements
September 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the Parish of St. James (the Housing Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing authorities are chartered as public corporations under the laws LSA-R.S. 40:391 of the state of Louisiana for the purpose of providing safe and sanitary dwelling accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five-member board of commissioners.

The Housing Authority has the following units:

	<u># of Units</u>
PHA Owned Housing	<u>314</u>

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a *primary government*, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, set rates or charges, and issue bonded debt.

GASB Statement No. 14 defines a related organization as an organization for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable. According to this definition, the Housing Authority is a related organization of St. James Parish since the parish appoints a voting majority of the Housing Authority's governing board. The parish is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on the parish. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of St. James Parish.

Certain units of local government over which the Housing Authority exercises no oversight responsibility, such as the school board, parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Housing Authority. In addition, the accompanying financial statements do not include various resident associations which are legally separate entities.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the Housing Authority are classified as proprietary.

Housing Authority of the Parish of St. James
Notes to the Financial Statements
September 30, 2004

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. The general fund accounts for the transactions of the public housing low rent program, drug elimination program, temporary assistance to needy families, and the capital fund program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to residents. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. INVESTMENTS Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Housing Authority reports at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. INVENTORY AND PREPAID ITEMS All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the consumption method.

Housing Authority of the Parish of St. James
Notes to the Financial Statements
September 30, 2004

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

G CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	10 years
Original development costs	27.5 years
Equipment	5 years

H. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

I. RESTRICTED NET ASSETS

Net assets are reported as restricted when constraints placed

on net assets use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used fir when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

J. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS At September 30, 2004, the Housing Authority has cash and cash equivalents (book balances) totaling \$204,761 including \$105,000 reported as investments and \$26,570 reported as restricted assets:

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. *The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.* These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the Housing Authority's carrying amount of deposits was \$204,761 and the bank balance was \$271,750. Of the bank balance, \$240,860 was covered by federal depository insurance (GASB Category 1). The remaining balance, \$30,890 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Housing Authority's name (GASB Category 3). These deposits are considered uncollateralized (Category 3) under the provisions of GASB Statement 3. However, Louisiana Revised Statute 39:1229 imposes a

Housing Authority of the Parish of St. James
Notes to the Financial Statements
September 30, 2004

statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon demand.

Deposits and investments are reported as follows:

Cash and cash equivalents	\$ 73,191
Restricted assets - resident deposits	26,570
Investments	<u>105,000</u>
Carrying amount of deposits	<u>\$ 204,761</u>

NOTE 3 - RECEIVABLES The receivables net of allowance for doubtful accounts at September 30, 2004, are as follows:

Class of Receivables	
Tenants, net of allowance of \$1,798	\$ 2,752
Fraud Recovery, net of allowance of \$ 20,663	0
Other	2,811
HUD	<u>81,204</u>
Total	<u>\$ 86,767</u>

NOTE 4 - FIXED ASSETS The changes and balances in fixed assets are as follows:

	Balance, Beginning	Additions	Deletions	Balance, Ending
Land	\$ 554,522	\$ 0	\$ 0	\$ 554,522
Buildings	9,130,764	267,105	0	9,397,869
Equipment	334,777	8,900	34,493	309,184
Total	<u>10,020,063</u>	<u>276,005</u>	<u>34,493</u>	<u>10,261,575</u>
Less accumulated depreciation				
Buildings	6,739,144	398,373	3,258	7,134,259
Equipment	220,176	39,453	34,493	225,136
Total	<u>6,959,320</u>	<u>437,826</u>	<u>37,751</u>	<u>7,359,395</u>
Fixed Assets, net	<u>\$ 3,060,743</u>	<u>\$ (161,821)</u>	<u>\$ 3,258</u>	<u>\$ 2,902,180</u>

NOTE 5 - RETIREMENT SYSTEM The Housing Authority provides pension benefits for all of its full-time employees through a defined contribution plan. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment.

Housing Authority of the Parish of St. James
Notes to the Financial Statements
September 30, 2004

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 8.5 percent of each participant's basic (excludes overtime) compensation. The covered employee contributes 6 percent of basic compensation. The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority's total payroll for year ended September 30, 2004, was \$230,464. The Housing Authority's contributions were calculated using the base salary amount of \$230,464. The Housing Authority made the required contributions of \$21,094 and the covered employees made the required contributions of \$12,743 for the year ended September 30, 2004.

NOTE 6 - ACCOUNTS PAYABLE The payables at September 30, 2004, are as follows:

Vendors	\$ 3,304
Salaries	6,115
Utilities	3,233
Total	<u>\$ 12,652</u>

NOTE 7 - COMPENSATED ABSENCES At September 30, 2004, employees of the Housing Authority have accumulated and vested \$26,316 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. These amounts are recorded as liabilities in the funds from which payment will be made. Following is a summary of the compensated absence transactions for the year.

Balance, Beginning	\$ 13,048
Additions	14,438
Deductions	1,171
Balance, Ending	<u>\$ 26,315</u>

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Litigation At September 30, 2004, the Housing Authority is involved in one litigation. In the opinion of legal counsel the potential loss on the claim will not materially affect the Housing Authority's financial position.

Construction Projects There are certain major construction projects in progress at September 30, 2004. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Grant Disallowances The Housing Authority participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants.

NOTE 9 - RISK MANAGEMENT The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

Housing Authority of the Parish of St. James
Notes to the Financial Statements
September 30, 2004

NOTE 10 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$1,260,760 to the Housing Authority, which represents approximately 86% of the Housing Authority's total revenue for the year.

NOTE 11 - NEW FINANCIAL REPORTING MODEL The Governmental Accounting Standards Board (GASB) issued Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments in June 1999. The Statement, commonly referred to as the new reporting model, retained much of the reporting under the present reporting model, with modifications, and added new information. The most significant addition is the Management's Discussion and Analysis (which follows this independent auditors' report). The most apparent modification to the format of the old reporting model that is being carried forward will be the display of major funds in the Fund Financial Statements, rather than the traditional fund-type display.

Housing Authority of the Parish of St. James

COMPENSATION PAID BOARD MEMBERS

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

Denesia Batiste

Ronald Dabney

JoAnn Martin

Lois Jones-Moore

Florian Qubre

Housing Authority of the Parish of St. James
Financial Data Schedule
For the Year ended September 30, 2004

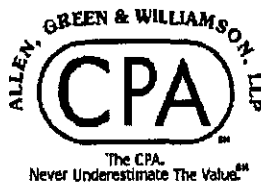
PHA: LA092 FYED: 09/30/2004

Line Item No.	Account Description	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Public Housing Capital Fund Program	State/ Local	Total
111.0	Cash - Unrestricted	\$ 73,191	\$ 0	\$ 0	\$ 0	\$ 73,191
114.0	Cash - Tenant Security Deposits	26,570	0	0	0	26,570
100.0	Total Cash	99,761	0	0	0	99,761
122.0	Accounts Receivable - HUD Other Projects	0	0	81,204	0	81,204
125.0	Accounts Receivable - Miscellaneous	2,811	0	0	0	2,811
126.0						
	Accounts Receivable - Tenants - Dwelling Rents	4,550	0	0	0	4,550
126.1						
	Allowance for Doubtful Accounts - Dwelling Rents	(1,798)	0	0	0	(1,798)
126.2	Allowance for Doubtful Accounts - Other	0	0	0	0	0
128.0	Fraud Recovery	20,663	0	0	0	20,663
128.1	Allowance for Doubtful Accounts - Fraud	(20,663)	0	0	0	(20,663)
129.0	Accrued Interest Receivable	409	0	0	0	409
120.0	Total Receivables, net of allowances for doubtful accounts	5,972	0	81,204	0	87,176
131.0	Investments - Unrestricted	105,000	0	0	0	105,000
142.0	Prepaid Expenses and Other Assets	71,843	0	0	0	71,843
144.0	Interprogram Due From	81,204	0	0	15,249	96,453
150.0	Total Current Assets	363,780	0	81,204	15,249	460,233
161.0	Land	554,522	0	0	0	554,522
162.0	Buildings	8,129,177	0	1,268,692	0	9,397,869
163.0	Furniture, Equipment & Machinery - Dwellings	113,673	0	0	0	113,673
164.0						
	Furniture, Equipment & Machinery - Administration	195,511	0	0	0	195,511
165.0	Leasehold Improvements	0	0	0	0	0
166.0	Accumulated Depreciation	(7,150,096)	0	(209,299)	0	(7,359,395)
160.0	Total Fixed Assets, Net of Accumulated Depreciation	1,842,787	0	1,059,393	0	2,902,180
180.0	Total Non-Current Assets	1,842,787	0	1,059,393	0	2,902,180
190.0	Total Assets	\$ 2,206,567	\$ 0	\$ 1,140,597	\$ 15,249	\$ 3,362,413

Line Item No.	Account Description	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Public Housing Capital Fund Program	State/ Local	Total
312.0	Accounts Payable <= 90 Days	\$ 6,537	\$ 0	\$ 0	\$ 0	\$ 6,537
321.0	Accrued Wage/Payroll Taxes Payable	6,115	0	0	0	6,115
322.0						
	Accrued Compensated Absences - Current Portion	5,262	0	0	0	5,262
341.0	Tenant Security Deposits	26,570	0	0	0	26,570
342.0	Deferred Revenues	0	0	0	15,249	15,249
347.0	Interprogram Due To	15,249	0	81,204	0	96,453
310.0	Total Current Liabilities	59,733	0	81,204	15,249	156,186
354.0						
	Accrued Compensated Absences - Non Current	21,053	0	0	0	21,053
350.0	Total Noncurrent Liabilities	21,053	0	0	0	21,053
300.0	Total Liabilities	80,786	0	81,204	15,249	177,239
508.0	Total Contributed Capital	0	0	0	0	0
508.1						
	Invested in Capital Assets, Net of Related Debt	1,842,787	0	1,059,393	0	2,902,180
511.0	Total Reserved Fund Balance	0	0	0	0	0
511.1	Restricted Net Assets	0	0	0	0	0
512.1	Unrestricted Net Assets	282,994	0	0	0	282,994
513.0	Total Equity/Net Assets	2,125,781	0	1,059,393	0	3,185,174
600.0	Total Liabilities and Equity/Net Assets	\$ 2,206,567	\$ 0	\$ 1,140,597	\$ 15,249	\$ 3,362,413

Line Item No.	Account Description	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Public Housing Capital Fund Program	State/ Local	Total
703.0	Net Tenant Rental Revenue	\$ 186,281	\$ 0	\$ 0	\$ 0	\$ 186,281
704.0	Tenant Revenue - Other	8,617	0	0	0	8,617
705.0	Total Tenant Revenue	194,898	0	0	0	194,898
706.0	HUD PHA Operating Grants	696,769	43,460	92,957	70,986	904,172
706.1	Capital Grants	0	0	356,588	0	356,588
711.0	Investment Income - Unrestricted	1,915	0	0	0	1,915
716.0	Gain/Loss on Sale of Fixed Assets	(1,422)	0	0	0	(1,422)
700.0	Total Revenue	\$ 892,160	\$ 43,460	\$ 449,545	\$ 70,986	\$ 1,456,151
911.0	Administrative Salaries	\$ 167,286	\$ 0	\$ 27,763	\$ 1,465	\$ 196,514
912.0	Auditing Fees	13,500	0	0	0	13,500
914.0	Compensated Absences	13,268	0	0	0	13,268
915.0						
	Employee Benefit Contributions - Administrative	81,226	0	1,901	112	83,239
916.0	Other Operating - Administrative	111,879	0	18,048	375	130,302
921.0	Tenant Services - Salaries	0	0	0	42,003	42,003
922.0	Relocation Costs	0	0	0	0	0
923.0						
	Employee Benefit Contributions - Tenant Services	0	0	0	3,152	3,152
924.0	Tenant Services - Other	0	0	0	25,831	25,831
931.0	Water	75,936	0	0	0	75,936
932.0	Electricity	53,939	0	0	0	53,939
933.0	Gas	4,651	0	0	0	4,651
941.0	Ordinary Maintenance and Operations - Labor	96,446	0	0	0	96,446
942.0	Ordinary Maintenance and Operations - Materials and Other	92,285	0	45,245	0	137,530
943.0	Ordinary Maintenance and Operations - Contract Costs	86,298	0	0	0	86,298
945.0	Employee Benefit Contributions - Ordinary Maintenance	47,705	0	0	0	47,705
952.0	Protective Services - Other Contract Costs	0	43,460	0	0	43,460
961.0	Insurance Premiums	190,069	0	0	0	190,069
964.0	Bad Debt - Tenant Rents	22,514	0	0	0	22,514
969.0	Total Operating Expenses	\$1,057,002	\$43,460	\$92,957	\$72,938	\$1,266,357
970.0	Excess Operating Revenue over Operating Expenses	(164,842)	0	356,588	(1,952)	189,794
972.0	Casualty Losses - Non-Capitalized	127,317	0	0	0	127,317
974.0	Depreciation Expense	310,667	0	127,159	0	437,826
900.0	Total Expenses	437,984	0	127,159	0	565,143
1001.0	Operating Transfers In	92,395	0	0	0	92,395
1002.0	Operating Transfers Out	0	0	(92,395)	0	(92,395)
1010.0	Total Other Financing Sources (Uses)	92,395	0	(92,395)	0	0
1000.0	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$ (510,431)	\$ 0	\$ 137,034	\$ (1,952)	\$ (375,349)

Line Item No.	Account Description	Low Rent Public Housing	Public and Indian Housing Drug Elimination Program	Public Housing Capital Fund Program	State/ Local	Total
1102.0	Debt Principal Payments - Enterprise Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1103.0	Beginning Equity	2,014,513	16,875	1,527,183	0	3,558,571
1104.0	Prior Period Adjustments, Equity Transfers and Correction of Errors	621,699	(16,875)	(604,824)	0	0
1120.0	Unit Months Available	2,952	0	0	0	2,952
1121.0	Number of Unit Months Leased	2,427	0	0	0	2,427



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1963 - 2000

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board of Commissioners
Housing Authority of the Parish of St. James
Lutcher, Louisiana

We have audited the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Housing Authority of the Parish of St. James, as of and for the year ended September 30, 2004, which collectively comprise the Housing Authority's basic financial statements and have issued our report thereon dated March 24, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

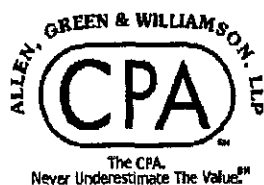
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board, management, and the federal awarding agency, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
March 24, 2005



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Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Board of Commissioners
Housing Authority of the Parish of St. James
Lutcher, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the Parish of St. James, Lutcher, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB Circular No. A-133 Compliance Supplement) that are applicable to each of its major federal programs for the year ended September 30, 2004. The Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we *plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred*. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority's compliance with those requirements.

In our opinion, the Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2004.

Internal Control Over Compliance

The management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

This report is intended solely for the information and use of the Board, management, and the federal awarding agency, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
March 24, 2005

**Housing Authority of the Parish of St. James
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2004**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>CFDA Number</u>	<u>Pass-through Grantor No.</u>	<u>Expenditures</u>
United States Department of Health & Human Services Passed Through Louisiana Department of Social Services: Temporary Assistance for Needy Families	93.558	N/A	<u>70,986</u>
United States Department of Housing and Urban Development Direct Programs Public and Indian Housing Operating Subsidy	14.850	FW-2007	696,769
Public and Indian Housing Drug Elimination Program	14.854	FW-2007	43,460
Public Housing Capital Fund Program	14.872	FW-2007	<u>449,545</u>
Total			<u>1,260,760</u>

Housing Authority of the Parish of St. James
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2004

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority. The Housing Authority reporting entity is defined in Note 1 to the Housing Authority's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority's financial statements.

NOTE 3 - RELATIONSHIP TO FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority's financial statements as follows:

Nonoperating revenues - federal grants	<u>1,260,760</u>
--	------------------

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - FEDERAL AWARDS For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. In accordance with HUD Notice PIH 98-14, "federal awards" do not include the Housing Authority operating income from rents or investments (or other non-federal sources). In addition, debt service annual contribution payments made by HUD directly to fiscal agents for holders of the Housing Authority bonds or for the Housing Authority notes held by the federal financing bank (FFB), are not considered when determining if the Single Audit Act "federal awards expended" threshold is met by the Housing Authority in a fiscal year. In addition, the entire amount of operating subsidy received during the fiscal year is considered to be "expended" during the fiscal year.

**Housing Authority of the Parish of St. James
Schedule of Findings and Questioned Costs
As of and for the Year Ended September 30, 2004**

PART I - Summary of the Auditors' Results

Financial statement audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of federal awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal program is:

CFDA #14.850 Public and Indian Housing
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular No. A-133, Section .530